

**SERIAL 06051 IGA MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR
MEDICAL & PHARMACY SUPPLIES**

DATE OF LAST REVISION: July 13, 2010

CONTRACT END DATE: May 01, 2011

**CONTRACT PERIOD BEGINNING DECEMBER 27, 2000
ENDING MAY 01, 2011
~~JUNE 30, 2010~~
~~DECEMBER 27, 2009~~**

TO: All Departments

FROM: Department of Materials Management

**SUBJECT: Contract for MINNESOTA MULTISTATE CONTRACTING
ALLIANCE FOR MEDICAL & PHARMACY
SUPPLIES**

Agency and other interested parties may access and electronic version of this contract from the Materials Management Web site at:
http://www.maricopa.gov/materials/Awarded_Contracts/search.asp.

Please note: Price Agreement Purchase Orders (PG documents) may be generated using the information from this list. Use NIGP CODE 4650003.

All purchases of product(s) listed on the attached pages of this letter are to be obtained from the listed contractor(s).

MMCAP

Admin Minnesota Materials Management Division

112 Admin. Bldg., St. Paul, MN 55155; 651.296.2600, FAX: 651.297.3996, TTY: 651.282.5799, www.mmd.state.mn.us

06051
**MINNESOTA MULTISTATE
CONTRACTING
ALLIANCE FOR PHARMACY**

AGREEMENT OF UNDERSTANDING

and

JOINT POWERS

AGREEMENT

MMCAP

Admin Minnesota Materials Management Division

112 Admin. Bldg., St. Paul, MN 55155; 651.296.2600, FAX: 651.297.3996, TTY: 651.282.5799, www.mmd.state.mn.us

AGREEMENT OF UNDERSTANDING AND JOINT POWERS AGREEMENT

This Agreement of Understanding is entered into this 21 day of December, 2000, by and between the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP), acting through the State of Minnesota, and the State of Arizona, by and through its Department of Administration, Procurement Office.

I. SCOPE

The Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) is a coalition of states and governmental units formed to standardize and consolidate state requirements for pharmaceuticals, supplies and services, and to cooperatively contract for such requirements. MMCAP may offer cooperative multistate contracting agreements for additional health-care related supplies, equipment and services to participating states and facilities (e.g., state correctional facilities, state mental health facilities, state public health facilities, etc.). Participating states and facilities reserve the right to utilize or not utilize any MMCAP contracted agreements.

II. PURPOSE

The purpose of this agreement is to establish a method by which participating states and other governmental units may join together in cooperative multistate contracting and to ensure the commitment of each participating state. Further, this agreement shall provide an understanding of the contracting process, the responsibilities of the participants and describe the organization and operating policies of MMCAP.

III. MISSION AND GOALS

A. Mission Statement

The mission of the Minnesota Multistate Contracting Alliance for Pharmacy is to provide value via reduced costs and improved services to its participating states and facilities through voluntary cooperative purchasing of pharmaceuticals and allied products and services.

B. Goals

1. Maximize cost savings and reduce administrative costs.
2. Standardize specifications and consolidate requirements to encourage product availability and market competition.
3. Promote environmentally responsible purchasing.
4. Develop quality assurance standards.
5. Ensure quality distribution of pharmaceuticals and allied products and services to contract participants.

IV. AUTHORIZATION

By executing this agreement, each participating state is certifying that it is authorized to enter into this agreement pursuant to applicable laws, rules and regulations. The designated individual executing this agreement certifies that he or she has the authority to represent his or her state and is authorized to commit his or her state on matters related to the business of MMCAP. The State of Arizona, is authorized to participate in the MMCAP cooperative purchasing program by Arizona Revised Statutes (A.R.S.) 41-2632, Article 10 of the Arizona Procurement Code "Intergovernmental Procurement".

V. ORGANIZATION AND OPERATION

A. Membership and Participation

1. MMCAP membership (the membership) is comprised of participating states. Other governmental units may participate in MMCAP contracting activities as determined by the membership provided such membership is authorized pursuant to applicable law.
2. Participation in MMCAP is voluntary and may be initiated at any time by submitting a copy of this Agreement of Understanding, executed by the state's chief procurement officer or his/her designee, for approval to the MMCAP Manager. Participation shall continue until termination occurs either by the participating state or the MMCAP Manager.
3. Each member state is responsible to ensure its participating state facilities are authorized by applicable law to participate in MMCAP contracting activities. Each member state agrees to indemnify, save and hold harmless the State of Minnesota from any causes of action arising from improper or unauthorized use of MMCAP contracts by one or more of its state's facilities.

B. Organization

The MMCAP organization shall consist of a Manager appointed from the State of Minnesota, an elected Vice Chairperson and the remaining membership. The Vice Chairperson shall be elected by a majority vote of the membership on a biennial basis. The MMCAP Manager, to the extent allowed by law and to the extent permitted by delegated authority pursuant to Minn. Stat. § 16C.03, subd. 16, shall render all decisions relating to MMCAP contracting activities. In accordance with Minn. Stat. § 16C.03, all other contracting and contract management decisions shall be made by the State of Minnesota, Commissioner of Administration or authorized delegate. The Advisory Panel shall be elected by the membership at the annual business meeting. The Advisory Panel shall consist of the Vice Chairperson and eight representatives from the membership. Four of the eight representatives shall be state purchasing agents and the remaining four representatives shall be pharmacists selected from the main practice areas participating in MMCAP. The Advisory Panel membership term shall be determined by the MMCAP Manager, but in no event will a term of a single member exceed two consecutive years. The Advisory Panel shall meet quarterly and provide recommendations to the MMCAP Manager on matters presented to the panel by the MMCAP Manager.

C. Business Meeting

The meeting of the representatives of the membership of MMCAP shall be conducted on an annual or on an as-needed basis as determined by the MMCAP Manager. The elected Vice Chairperson shall participate in presiding over the meeting with the MMCAP Manager. On matters brought to a vote by the MMCAP Manager, each participating state present shall have equal voting rights. Voting members must possess the authority to commit the state they represent.

D. Fees

The MMCAP Manager may, pursuant to contract terms and conditions, require the contract awardee(s) to pay an administrative fee. The fee shall be based on a percentage of sales made by the individual awardee. Fees shall be collected by the MMCAP office. Fees shall be utilized to pay for the administrative costs incurred in the operation of MMCAP as approved by the MMCAP Manager. Any remaining balance of funds shall be returned to active participating facilities by means of a credit to their wholesaler account proportionate to the individual facility's contract purchases via the contracted wholesaler(s).

VI. DUTIES**A. State of Minnesota**

The State of Minnesota shall be the state known as the "contract administrator," which, on behalf of all participating states shall:

- Select commodities or services for cooperative contracting;
- Develop a procurement plan, including the time schedule, specifications, use description and the preliminary solicitation/contract documents;
- Manage the fees collected from the contract awardee(s);
- Coordinate any document review to be done by participating states;
- Issue the solicitation for bids or request for proposals;
- Receive the bids or proposals;
- Coordinate any necessary solicitation evaluation;
- Conduct final analysis, review participating state's recommendations for contract award(s) if provided, and make final contract award determinations;
- Issue all contract amendments or contract cancellations, if required;
- Provide copies of contract documents if requested;
- Handle administrative protests arising from the solicitations in accordance with the State of Minnesota laws and regulations.
- Maintain vendor performance records;
- Assist in resolving administrative contract or supplier problems that cannot be resolved by independent states or facilities; and
- Prepare copies of the award catalog and arrange for distribution.

B. Participating States

Participating states shall:

- Attend MMCAP business meeting(s);
- Participate in the evaluation of proposals and provide recommendations for award(s) to the MMCAP Manager; and
- Prepare a "Participating Addendum" if required. A "Participating Addendum" is an instrument that may be used in limited circumstances where the standard MMCAP contract terms and conditions do not include provision(s) required by the laws of the participating state or when the standard MMCAP contract terms and conditions conflict with the laws of the participating state. If these circumstances exist, a participating state may prepare a "Participating Addendum" to set forth additional or altered terms and conditions agreeable to the participating state, the contract awardee, and MMCAP. The "Participating Addendum" applies only to the relationship between the state initiating the addendum and the contract vendor. A "Participating Addendum" shall not affect the rights of the other states or the obligation of the contract vendor to the other states. The participating state is responsible for creating and negotiating any "Participating Addendum" and must notify the MMCAP Manager and provide a copy of the "Participating Addendum" for approval prior to its execution.

VII. PROTESTS

The MMCAP Manager shall be responsible for all protests arising from the MMCAP solicitation process. Protests shall be handled in accordance with Minnesota law, rules, regulations and policy. Any state or facility receiving a protest concerning an MMCAP contract will immediately notify the MMCAP Manager.

VIII. CONTRACTS

MMCAP contracts shall include standard contractual requirements contained in State of Minnesota contracts. The MMCAP manager shall consider the inclusion of contract language based upon the recommendations of the membership or of the Advisory Panel. All contracts shall clearly delineate contract use and cancellation. Each participating state or facility shall issue its own purchase documents against the master cooperative contract(s).

IX. JOINT POWERS AGREEMENT

The State of Minnesota and participating states and facilities are empowered to enter into this agreement pursuant to Minn. Stat. § 471.59, subd. 10 (1998) authorizing governmental units to enter into joint powers agreements whereby one of the governmental units performs on behalf of the other any service or function which the governmental unit providing the service or function is authorized to provide for itself. The participating state, by means of this joint powers agreement, may authorize ordering from contracts established by MMCAP. Participating states and facilities agree to order under the established terms and conditions of the MMCAP contract or under terms and conditions established pursuant to a "Participating Addendum" prepared in accordance with and under the circumstances described in Section VI. B. Payment for all orders made by a participating state or facility is the responsibility of that state and/or facility.

X. GENERAL PROVISIONS

A. Liability

Neither party shall assume any responsibility for the accountability of funds expended by the other or the issuance or non-issuance of a purchase order by the other party. Each party shall be separately accountable for its own expenditures of public funds made hereunder.

B. Cancellation

This Agreement may be terminated with or without cause by either the State of Minnesota or the participating state upon 30 days written notice. Cancellation terminates the authority of the state and its facilities using MMCAP contracts. States and facilities are liable for their outstanding orders at the time of cancellation.

C. Assignment

The participating state shall not assign, delegate, or transfer any rights or obligations under this Agreement without the prior written consent of the State of Minnesota.

D. Amendments

Any amendment or modification to this Agreement shall be in writing and shall not be effective until executed by the State of Minnesota and the participating state and approved by all State officials as required by law.

E. State Audits

As required by Minn. Stat. § 16C.05, subd. 5, the books, records, documents and accounting procedures and practices of the participating states and facilities and its employees, or agents relevant to this Agreement shall be made available and subject to examination by the State of Minnesota, including the contracting agency/division, Legislative Auditor, and State Auditor for a minimum period of six years after the termination of this Agreement.

F. Jurisdiction and Venue

This Agreement, and executed amendments thereto, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings between the State of Minnesota and a participating state or facility arising out of this Agreement, or breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota. Any claims against a participating state or any of its facilities, where the State of Minnesota or MMCAP is not a party, must be brought in the courts, or before an administrative body of the participating state, in accordance with the laws of that state and will not be negotiated, arbitrated, or settled on its behalf by any of the other states.

IN WITNESS WHEREOF, the undersigned parties have caused this Agreement of Understanding and Joint Powers Agreement to be signed on their behalf intending to be bound thereby.

FOR THE PARTICIPATING STATE:

On behalf of the Participating State, the undersigned person warrants that he or she is authorized to execute the contract and legally bind the Participating State thereto.

State of ARIZONA

By [Signature]

Title STATE PROCUREMENT
ADMINISTRATOR

Date 12-21-2000

FOR THE STATE OF MINNESOTA:

By [Signature]

Title AMS, Sr.

Date Dec 27, 2000

ATTORNEY GENERAL, as to form and execution:

By [Signature]

Title Legal Assistant

Date 1-3-01

COMMISSIONER OF ADMINISTRATION, as delegated to the Materials Management Division:

By [Signature]

Title ASST. Dir. M&M

Date 01/01/2001

**STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR
PHARMACY
INFLUENZA VACCINE**

This contract is between the State of Minnesota, acting through its Commissioner of Administration, on behalf of Minnesota Multistate Contracting Alliance for Pharmacy ("MMCAP") and **ASD Specialty Healthcare, Inc.**, 3101 Gaylord Parkway, Frisco, TX 75034 ("Vendor").

Under Minn. Stat. § 16C.03, the Commissioner of Administration on behalf of MMCAP is empowered to engage such assistance as deemed necessary.

MMCAP is a group purchasing organization of government-run health care facilities which contracts for pharmaceuticals and certain health care products for its members' use. Participation in MMCAP is limited to facilities within member states that are specifically permitted by the member state's statutes to purchase goods from the member state's contracts. Participation is generally available to facilities run by state agencies, cities, townships, and counties.

The Vendor wishes to contract with MMCAP to supply products awarded through the MMCAP request for proposals process.

Contract

1. Term of Contract

1.1 Effective date: December 1, 2009, or the date the MMCAP obtains all required signatures under Minn. Stat. §16C.05, subd. 2, whichever is later.

1.2 Expiration date: May 1, 2011, or as cancelled pursuant to clause 21.

1.3 Survival of Terms. The following clauses survive the expiration or cancellation of this contract: 5. Liability; 6. State Audits; 7. Government Data Practices and Intellectual Property; 8. Publicity and Endorsement; 9. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

2. Contracted Vaccine

2.1 Products.

Manuf. Name	Product Name	Container Type	Pack Size	Price Per Container (Prices do not include FET)	Florida Cost (Prices do not include FET)	Georgia Cost (Prices do not include FET)	Max. Quantity to MMCAP
Med-Immune	FluMist	Sprayer	Pack of 10	149.50	151.00	152.49	1 (one) million doses
Novartis Vaccines	Fluvirin	0.5 mL prefilled syringes	Pack of 10	120.00	121.20	122.40	
Novartis Vaccines	Fluvirin	5 mL MD vial	10 dose	105.00	106.05	107.10	
Sanofi Pasteur	Fluzone	5 ml MD vial; 6 months of age and older	10 dose	121.25	122.46	123.68	50,000 doses

**STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR PHARMACY**

This contract is between MMCAP of Minnesota, acting through its Commissioner of Administration, on behalf of the Minnesota Multistate Contracting Alliance for Pharmacy ("MMCAP") and Cardinal Health 110, Inc. and Cardinal Health 411, Inc. (collectively, "Vendor"), 7000 Cardinal Place, Dublin, OH 43015.

Recitals

1. Under Minn. Stat. § 16C.03, the Commissioner of Administration, on behalf of MMCAP, is empowered to engage such assistance as deemed necessary.
2. MMCAP is a group purchasing organization of government-run health care facilities which contracts for pharmaceuticals and certain health care products for its members' use. Participation in MMCAP is limited to facilities within member states that are specifically permitted by the member state's statutes to purchase goods from the member state's contracts. Participation is generally available to facilities run by state agencies, cities, townships, and counties.
3. The Vendor wishes to contract with MMCAP to provide the services of a pharmaceutical prime vendor to distribute pharmaceuticals, OTCs, nutritionals, and vaccines (other than influenza vaccines).

Contract

1 Term of Contract

- 1.1 **Effective date:** November 30, 2009, or the date MMCAP obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.
The Vendor must not begin work under this contract until this contract is fully executed and the Vendor has been notified by MMCAP's Authorized Representative to begin the work. Further, the pricing and other benefits offered under this contract will not be available until all required signatures are obtained as set forth above.
- 1.2 **Expiration date:** October 31, 2011, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The Contract may be extended for up to three (3) additional one (1)-year periods based on written acceptance of both parties, for a total term not to exceed five (5) years.
- 1.3 **Survival of Terms.** The following clauses survive the expiration or cancellation of this Contract: 8 Notices; 9 Assignment, Amendments, Waiver, and Contract Complete; 10 Liability; 11 Audits; 12 Government Data Practices; 13 Intellectual Property and Data; 15 Publicity and Endorsement; 16 Governing Law, Jurisdiction, and Venue; 36 State Terms and Participation.

2 Definitions

The definitions set forth in the Attachments attached and incorporated herein shall apply to this Contract.

3 Time

The Vendor must comply with all the time requirements described in this contract. In the performance of this contract, time is of the essence.

4 Vendor's Duties

The Vendor, who is not a state employee, will provide services in accordance with the Attachments as attached and incorporated herein.

5 Fees and Payment

- 5.1 **Fees.** Subject to Attachment B, as attached and incorporated herein, all changes to the MMCAP Service Fee Matrix will be communicated to the MMCAP Office in writing with a minimum of five (5) business days notice. Vendor service fees may only change on a quarterly or less frequent basis.

AMENDMENT NO. 1 TO MMCAP CONTRACT NO. MMS29092

THIS AMENDMENT is by and between the State of Minnesota, acting through its commissioner of Administration ("State") on behalf of the Minnesota Multistate Contracting Alliance for Pharmacy ("MMCAP") and FFF Enterprises, Inc ("Vendor" or "FFF") 41093 County Center Drive, Temecula, CA 92591.

MMCAP has a contract with the Vendor identified as Contract No. MMS29092 (Original Contract). MMCAP and the Vendor are willing to amend the Original Contract as stated below.

Contract Amendment

The following Products identified will be added to Article 2.1 effective December 22, 2009 through May 1, 2011.

Manuf. Name	Product Name	Container Type	Pack Size	Price Per Container (Prices do not include FET)	Florida Cost (Prices do not include FET)	Georgia Cost (Prices do not include FET)	Max. Quantity to MMCAP
Merck/CSL	Afluria	0.5 mL prefilled syringes	Pack of 10	\$113.80	\$114.94	\$116.08	250,000 doses
Merck/CSL	Afluria	5 mL MD vial	10 dose	\$106.30	\$107.36	\$108.43	100,000 doses

Except as herein amended, the provisions of the Original Contract between the parties hereto are expressly reaffirmed and remain in full force and effect.

1. FFF Enterprises, Inc.

The Vendor certifies that the appropriate person(s) have executed this Agreement on behalf of the Vendor as required by applicable articles, bylaws, resolutions, or ordinances.

By: Sue L. HallTitle: Director of Corporate AccountsDate: 12-29-09

By: _____

Title: _____

Date: _____

2. STATE OF MINNESOTA FOR MMCAP

In accordance with Minn. Stat. § 16C.03, subd. 3

By: Sarah Munkow, PharmD, BCPSTitle: Acquisition Management SpecialistDate: 12-30-09

3. COMMISSIONER OF ADMINISTRATION

In accordance with Minn. Stat. § 16C.05, subd. 2

By: David L. MauerDate: Dec. 31, 2009

Admin Minnesota

Materials Management Division

Room 112 Administration Bldg., 50 Sherburne Ave., St. Paul, MN 55155; Phone: 651.296.2600, Fax: 651.297.3996
For TTY/TDD communication, contact us through the Minnesota Relay Service at 1.800.627.3529.

CONTRACT RELEASE: M-487(5)

DATE: NOVEMBER 30, 2009

PRODUCT/SERVICE: MEDICAL SUPPLIES, SERVICES AND BARCODE EQUIPMENT

CONTRACT PERIOD: APRIL 1, 2004, TO JUNE 30, 2010

EXTENSION OPTIONS: NONE

MMCAP CONTACT: DOROTHY JOHNSON

PHONE: 651.201.2417 E-MAIL: dorothy.johnson@state.mn.us

WEB SITE: www.mmd.admin.state.mn.us

CONTRACT VENDOR

CONTRACT NO.

TERMS

DELIVERY

PHYSICIANS SALES & SERVICE (PSS)
12999 Wilfred Lane, Suite 250
Rogers, MN 55374

432345

NET 30

3 DAYS ARO
FOB Destination

VENDOR NO.: 031872001 00 SALES LEADER: Bill Inman
CUSTOMER SERVICE CONTACT: Cindy Glunz
E-mail: binman@pssd.com and cglunz@pssd.com

PHONE: 763.428.2388 or 800.755.2203
FAX: 763.428.9105

MMCAP Members: Go to www.mypss.com follow links to your distribution center location and ask for Sales Leader.

Corporate Contact: Ed Burleson E-mail: eburleson@pssd.com PHONE: 904.332.3159 FAX: 860.767.9453
Corporate Address: PSS World Medical 4345 Southpoint Blvd, Jacksonville, FL 32216

CONTRACT VENDOR

CONTRACT NO.

TERMS

DELIVERY

MCKESSON MEDICAL-SURGICAL
MINNESOTA SUPPLY INC
8121 10th Ave North
Golden Valley, MN 55427

432344

Net 30

3 DAYS ARO
FOB Destination

VENDOR NO.: 189100000-00 CONTACT: Therese Mugge

PHONE: 800.328.8111 Ext: 6588
FAX: 800.237.9766

Email Orders and Information: government.sales@mckesson.com

www.mckesson.com

SCOPE. This Contract is to provide medical supplies to State agencies, CPV members and MMCAP participants.

CONTRACT USERS. This Contract is available to State agencies, members of the State's Cooperative Purchasing Venture (CPV) program, and Minnesota Multistate Contract Alliance for Pharmacy (MMCAP) members at the same prices, terms, and conditions.

STATE AGENCY CONTRACT USE. This Contract must be used by State agencies unless a specific exception is granted by the Acquisition Management Specialist listed above.

ORDERING INSTRUCTIONS. Orders are to be placed directly with the Contract Vendor. Minnesota State agencies should use a contract release order (CRO) or a blanket purchase order (BPC). The person ordering should include his or her name and phone number. CPV and MMCAP members should use their own ordering procedures. MMCAP members are to contact the local customer service number in their area.

SPECIAL TERMS AND CONDITIONS

PRICES. Prices are firm through the first year. After that period, prices may increase once a year. Price increases are not effective until they are approved by the AMS. **NOTE:** At no time should the ordering entity pay more than the Contract price. Agencies must contact the AMS immediately and fill out a Vendor Performance Report if there is a discrepancy between the price on the invoice and the Contract price.

DELIVERY. Same day if ordered by 10:30 a.m. within 100 miles of a distribution facility, otherwise next day.

PRODUCT SUBSTITUTION. Distributor will not in any way cause, condone, or encourage the purchase substitution of an MMCAP facility-ordered product without the approval of the ordering MMCAP facility.

CUSTOMER SERVICE. Distributor has a customer service department at a toll-free number available to all MMCAP facilities for stock checks, product, or general information requests.

DEFAULT OF VENDOR. If an MMCAP facility has an immediate need for a product that distributor is unable to supply, the facility may buy an identical product on the open market. If the inability to supply exceeds 10 working days and is the fault of distributor, the MMCAP facility will deduct any excess cost resulting from an open market purchase as a credit from distributor's invoice. Note: It is distributor's responsibility to demonstrate that a backorder is the fault of the manufacturer and not distributor. Distributor may substitute with the MMCAP facility's permission.

UNIFORMITY OF OFFER. The Contract is not a limitation of distributor's ability to offer special discounts for periodic high-volume and equipment purchases.

PURCHASE ORDER NUMBER ASSIGNMENT. Ordering systems will allow for the input of an individual purchase order number, assigned by the MMCAP facility, for each order submitted.

TOLL-FREE ORDER TRANSMISSION. Distributor will provide toll-free order transmission service to all MMCAP facilities.

ADDITIONAL SERVICES. Distributor will make all services and products not mentioned in the RFP that are available to general customers, available to all MMCAP facilities.

DELIVERY REFUSALS. Distributor will at no time refuse to deliver to any MMCAP facility without notification to the MMCAP Office.

SPECIAL HANDLING. Distributor will provide all legally required documentation and special handling/packaging for transport of hazardous materials from Distributor to the using MMCAP facility.

DELIVERY SITES. Distributor will deliver to a single mutually agreeable site at each MMCAP facility. Upon the majority agreement of the MMCAP facility, MMCAP Office, and Distributor additional delivery sites may be added at an MMCAP facility.

CONTRACT CHANGES. Distributor can not make changes to the Contract with regard to price, manufacturer, or product without written approval from the MMCAP Office. Distributor will enter MMCAP Contract changes (additions, deletions, price changes, etc.) into the ordering system software of all distribution centers within 10 business days of the receipt of the MMCAP documents listing the products changes.

REMOVAL OF PRODUCTS. Distributor will not remove any MMCAP product from its ordering system without notifying the MMCAP Office in writing and receiving MMCAP approval in writing.

MAINTENANCE SERVICE LEVEL. Excluded from the service level calculations are items backordered or otherwise unavailable from the manufacturer, items not normally stocked by the responsible distribution center, partially filled lines (greater than 50 percent of the quantity ordered) which are reordered and completely filled within two days, and documented order-filling errors. Distributor will supply maintenance service level information upon the request of the MMCAP Office or MMCAP facilities.

ADMINISTRATIVE FEE CREDIT. Distributor will pay an administrative fee on all purchases (minus any credits) by MMCAP facilities. Distributor will submit a summary of all business transacted quarterly under the Contract, along with a check payable to the State of Minnesota Cooperative Purchasing Venture Revolving Fund for an amount equal to 0.5 percent of MMCAP total invoice sales to the MMCAP office. The administrative fee will be paid within 45 days after the end of each quarter.

MANUFACTURER CONTRACTS. MMCAP reserves the right to negotiate or contract with manufacturers to establish pricing for products. In the event this occurs, Distributor will supply the products to MMCAP facilities and the final acquisition cost will be no greater than the established MMCAP manufacturer negotiated or contracted price, plus the Distributor contracted service fee.

FEES/PRICING

SERVICE FEE. There are no service fees allowed by either Contract Vendor.

PRODUCTS. Distributor will provide products at the prices established. Prices changes will be sent to State Contacts and posted on the MMCAP as they occur. The list of products may change to accommodate the needs of MMCAP facilities. (Product/Price lists include all service fees)

GENERAL DISCOUNT. Distributors have provided a discount for all manufacturers. For all manufacturers not listed in the contract file the general discount is 5 percent for PSS and 10% for McKesson off MSRP (See manufacturer discount list) the service fee is included in all discounts offered. (Updated annually for catalog year)

SERVICES/PARTS. PSS has provided a list of all other available services (e.g., equipment repair and calibration, JACHO, CEU credits, product training, etc.). The hourly rate for labor is \$95.00; the discount for parts is 10%.

BARCODE. SmartScan Bar codes to be used with www.MyPSS.com is available for a one time charge of \$200.00 for SmartScan starter kit (includes one scanner) Additional or replacement scanners if needed are \$150.00

CUSTOMER SERVICE. A Distributor representative will closely monitor the start-up phase of the Contract and provide visits to each MMCAP facility as required. Training will be provided to MMCAP facility personnel on the use of the Contract, ordering procedures, management report usage, and any other in-service education programs determined necessary by the MMCAP facility.

Distributor will assign a contact person for MMCAP Office staff relating to the Contract.

Distributor will assign a contact person for MMCAP facilities at each distribution center. The contact person will be at a management/administrative level and have the responsibility, experience, knowledge, and authority to respond to questions and solve operational problems presented by the MMCAP facilities. The contact person's office will be in the distribution center and be readily accessible to MMCAP facilities via toll-free phone line, fax, or e-mail during the business day. The contact person will respond to any question, problem, request, etc., on the same working day it is presented.

Distributor will have knowledgeable customer service representatives who will make on-site visits on a schedule established or requested by the individual MMCAP facilities.

ORDER PLACEMENT. Distributor will provide an ordering system/method to each MMCAP facility that allows the option to quickly and accurately order products within the current and future technological capabilities of that facility. The status of each order will be sent to each MMCAP facility on the day the order is placed. The line sequence of such status will match the line sequence of the MMCAP facility's purchase order.

DELIVERY. Distributor has sufficient distribution centers to assure prompt and effective delivery of standard and emergency product deliveries to all MMCAP facilities regardless of location and volume.

Distributor will provide a daily order and delivery schedule (Monday through Friday). At a minimum, Distributor will deliver complete orders the next business day. The ordering and delivery schedules will provide late in the day order submission and next-day delivery. A same-day delivery option may be available.

Distributor will establish an emergency ordering procedure that the MMCAP facility can utilize to secure hospital and medical supplies by the most expeditious means available. Distributor provides a 24-hour a day, seven day a week, toll-free telephone number to be used to initiate an emergency order. Customer will be responsible for any special shipping charges when requested by the end user, for example overnight or 2nd Day UPS. Distributor will notify the customer before these charges are incurred. Emergency delivery requiring same day delivery requested by the customer will be charged actual freight incurred by the carrier. WE DO NOT PAY FOR Distributor FAILURE TO STOCK NORMALLY ORDERED ITEMS.

MMCAP REPORTS. Usage Reports are available at the contract distributor local branch for the end user upon request. Quarterly reports are sent to MMCAP office.

INVENTORY MANAGEMENT. Distributor will provide an inventory of contracted products sufficient to meet the needs of the MMCAP facilities from the beginning of the contracting period.

In the event a distribution center is out of stock of an MMCAP-contracted product, Distributor will supply the requested product by the most expeditious means possible.

Distributor will supply only products having a shelf life of greater than six months unless the unique properties of a particular product require shorter dating or upon the approval of the MMCAP facility.

PSS – RETURN GOODS POLICY:

1. All returns must be picked up within five working days of notification by the MMCAP facility or at the next delivery, whichever is sooner. Notification is defined as verbal notification, written notification or by electronic means.
2. No restocking charges will be imposed on the return of wrong product, ordered in error and short dating orders.
3. Recalled products: pickup will be within five working days from the date of notification or at the next delivery, whichever is sooner, or as specified in the recall notice.
4. Defective products: pickup will be within five working days from notification of the defect or at the next delivery, whichever is sooner.
5. Damaged products refused on receipt of delivery: the MMCAP facility will notify Distributor of the damaged product. Distributor will replace the damaged product within 24 hours, upon reorder by the MMCAP facility.
6. All credits will be issued within 10 working days of the return of the goods. MMCAP reserves the right to deduct from the invoice all credits that were not issued 10 working days after the return of the goods.
7. Distributor offers instant credits. When a product is returned to the Distributor driver, he or she issues a credit voucher immediately to the purchaser. The information, as well as the product, is processed the same day to credit the account.
8. Return Policy on special order items includes a fee equal to the manufacturers restocking charge.

MCKESSON RETURN GOODS POLICY:

- 1 Returned products must be in saleable condition, be in original package, in full sale unit of measure and product must not be defaced, i.e., handwriting. Products returned after 60 days and up to one year after sale will be assessed a 20% restocking fee. Return freight charges will be deducted from the credit amount, except in cases of McKesson's error. Special orders may not be returned for credit.
2. There are no restocking fees imposed for Vendor errors, but McKesson reserves the right to charge a shipping fee for those products refused by customers returned due to customer order error.
3. McKesson will make every effort to contact customers that have ordered an item that is recalled by the manufacturer. A return will be issued and the item will be picked up as quickly as possible or at the next scheduled delivery day.
4. Products found to be defective the item will be picked up as quickly as possible or at the next delivery day.
5. Products damaged in transit and/or refused by MMCAP facility, McKesson will replace the item as quickly as possible and deliver with the next scheduled standard delivery. Emergency replacements can be requested and will be determined by McKesson and MMCAP facility.
6. Credits for returned products will be reflected on the next business cycle from the date the product is received back by McKesson. MMCAP facilities may determine on which charges to apply the credits.
7. Whenever possible a McKesson fleet truck will pick up returns. Some pick ups are scheduled by common carrier, such as UPS, and are subject to their procedures and policies.

CONTRACT PRICES. ALL PRICES ARE LOCATED AT www.mmcap.org.

CUSTOMERS WILL NEED AN ACCESS CODE TO VIEW THE PRICE LISTS. IF YOU DO NOT HAVE AN ACCESS CODE, CONTACT DOROTHY JOHNSON AT 651.201.2417.

REVISIONS:

- | | |
|----------|--|
| 11/30/09 | Contract 432345, PSS, additional items added to contract. Pricing sheet updated with additional products and column with pricing through September 30, 2009 has been deleted from the spreadsheet. |
| 11/18/09 | McKesson phone number and Email for information have been updated. |
| 10/15/09 | Contract 432344, McKesson, has new pricing effective October 14, 2009. Also updated 'DELIVERY' for 432344 as: FOB Destination. Additional minor corrections. |
| 09/21/09 | Contracts 432344 and 432345 are extended through June 30, 2010 at the same terms and conditions. Price changes for both vendors are effective October 1, 2009. McKesson fax number updated. |
| 03/09/09 | McKesson Email updated for Email Orders |
| 03/06/09 | Contracts 432344 and 432345 are extended through September 30, 2009. Contract 432345 is at the same prices, terms and conditions. Contract 432344 has price changes effective April 1, 2009. Vendor 432344 company name updated to McKesson Medical-Surgical Minnesota Supply Inc. |
| 12/10/08 | Changes to vendor contact information for PSS, names and email addresses only. |
| 11/24/08 | Contract 432344 is amended to allow price increases on gloves only. |
| 03/20/08 | Contracts 432344 and 432345 are extended through March 31, 2009, at the same terms and conditions and with adjusted prices. Service fees are deleted from both Contracts and may not be added to an invoice. |
| 12/15/06 | Contract extension and fax number correction for McKesson. |
| 07/12/06 | Price decrease for PSS SMARTSCAN bar code reader. |
| 05/17/06 | Changes to vendor contact information and minor corrections only. |
| 03/21/06 | Contract extended 12 months for both PSS and McKesson. Phone number change for AMS, Usage report notice to end user that they are available from Contract distributor's local branch upon request. |



Minnesota Multistate Contracting Alliance for Pharmacy

State of Minnesota, Department of Administration

50 Sherburne Avenue, Suite 112

St. Paul, MN 55155

651-202-2420

www.mmcap.org

December 8, 2009

Immediate Action Required to Remain Active MMCAP Member

Shawn Tennant
Maricopa County Public Health Pharmacy
1645 E. Roosevelt Street
Phoenix, AZ 85006-3642

Dear Pharmacy Director:

As a member of the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP), your facility has been making pharmaceutical purchases using MMCAP's contracts. In order for your facility to continue to purchase its pharmaceutical and influenza vaccine needs with MMCAP's significant savings, ***a completed Membership Agreement must be returned to the MMCAP Office no later than December 24, 2009. After December 31, 2009, MMCAP will deactivate your membership.*** As a result manufacturers, wholesalers, and distributors will no longer offer MMCAP pricing.

Your MMCAP State Contact is aware that MMCAP has made several attempts to contact your facility and that an agreement is required for continued participation in the program. For your convenience, attached is a blank membership agreement. Scanned, faxed, or mailed agreements are acceptable and may be sent back directly the addressed below (there is no need to forward to your State Contact):

E-mail:

Mn.multistate@state.mn.us

Fax:

Attn: MMCAP Membership Agreements
651-297-3996

Mail:

MMCAP Membership Agreements
Minnesota Department of Administration
50 Sherburne Avenue, Suite 112
St. Paul, MN 55155

If you recently returned the agreement or are in the process of doing so thank you for your response. Also, if the contact person is incorrect, please include the updated contact information in the return correspondence.

MMCAP values your business and wants your facility to remain a member of its program. Please complete and return the attached agreement as soon as possible. If you have any questions, feel free to contact MMCAP at 651-201-2420.

Alan Dahlgren
MMCAP Managing Director